

## DEPARTMENT OF SOCIAL SERVICES



April 25, 1984

ALL-COUNTY LETTER NO. 84-49

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY FISCAL OFFICERS  
ALL COUNTY FOOD STAMP PROGRAM COORDINATORS

SUBJECT: FOOD STAMP PROGRAM FNS-259 REPORTING AND LIABILITY COLLECTION PROCEDURES

REFERENCE:

The purpose of this letter is to notify counties of changes in the reporting procedures for submitting the FNS-259 (Food Stamp Mail Issuance Report) form to the State Department of Social Services (SDSS), and the new procedure for recovering county liabilities resulting from excessive mail losses. These procedures are effective May 1, 1984.

COUNTY REPORTING - FORM FNS-259

As a result of the implementation of the Federal and State regulations which establish a strict liability upon County Welfare Departments for excessive losses of coupons issued through the mail (7 CFR 274.3) and (63-603.19), the functional responsibility for the FNS-259 has been assigned to the Fiscal Policy and Procedures Bureau (FPPB).

The FNS-259 will now be used to assess fiscal liabilities for mail loss replacements over the national tolerance rate established by the Food and Nutrition Service (FNS). Therefore, all FNS-259 Reports, commencing with the April-June 1984 reporting period, are to be submitted to the following address:

Department of Social Services  
Fiscal Policy and Procedures Bureau  
744 "P" Street, MS 8-100  
Sacramento, CA 95814

ATTENTION: LEE BARTON

The FNS-259 Report is to be completed quarterly and is due at FNS/Western Region Office (WRO) and SDSS within 45 days after the end of the last report month in the quarter. Distribution of the report to FNS offices is unchanged.

#### LIABILITY COLLECTION PROCEDURES

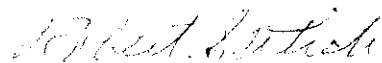
FNS has indicated that billings for FNS-259 liabilities will be prepared and sent to SDSS for semiannual periods commencing with the October 1983 through March 1984 period as is currently done with the FNS-46 (ATP Reconciliation Report) and the FNS-250 (Food Coupon Accountability Report) with one exception. Counties will be billed separately for the only quarter (JULY-SEPTEMBER 1983) during which the .75 or \$2,250.00 loss standard was in effect. Thereafter, each county with mail losses in excess of the .5 or \$1,500.00 standard will be billed within 90 days of the close of each semiannual period.

SDSS will have 30 days from the date of any FNS-259 billing to provide reimbursement to FNS/WRO. Immediately upon receipt of the FNS-259 billing from FNS/WRO, this Department will notify each county with a liability, in writing, that their next month's Food Stamp Program Administrative Funding advance will be adjusted by the amount of that liability. All adjustments to County Food Stamp Program advances will be identified on the Form AA190 as "mail loss liability adjustment (FNS-259)".

Since the Food Stamp Mail Issuance liabilities are based solely upon data reported on the FNS-259 Report, it is very important that these reports be accurately prepared and submitted to FNS and SDSS in a timely manner.

If you have any questions regarding the FNS-259 reporting and collection process, please contact Mr. Lee Barton at (916) 323-0269, or ATSS (8) 473-0269.

If you have any questions regarding alternatives for reducing mail losses, please contact your Food Stamp Corrective Action Bureau consultant at (916) 322-5475, or ATSS (8) 473-5475.



ROBERT T. SERTICH  
Deputy Director  
Administration

cc: CWDA